

Wyoming Department of Environmental Quality Land Quality Division



Reclamation Performance Bonds General Instructions

The following Reclamation Performance Bonds (bonds) are presently accepted by the Land Quality Division (LQD) to meet bonding requirements pursuant to the Wyoming Statute (W. S.) § 35-11-417(a). The original documents must be submitted.

If federal lands or coal are involved, please contact LQD to obtain special instructions before securing a bonding instrument.

- Corporate Surety Bonds must be executed by an insurance company holding a Wyoming surety license and be executed on LQD forms. LQD will supply the forms in hard copy by request or the forms may be found on our website at: http://deq.wyoming.gov/lqd/bonding/. Forms must be submitted on a single sheet of 8.5"x14" legal sized paper with pages printed back to back.
 - a. Please ensure that all corporate, surety, and notary seals are affixed and legible. Please use the darkest ink possible for stamped seals. If the notary statement is on a separate sheet of paper, on the attachment please state "Attachment A to (insurance company name) bond no. ______ dated ______," and cite on the bond "See Attachment A."
 - b. No alterations can be made to the bond. Corrections, cross-overs, use of correction fluid, etc. are not acceptable.
 - c. The legal capacity of the principal must be stated in the caption of the bond (i.e., corporation, partnership, sole proprietorship, Limited Liability Company, etc.).
 - d. The person who signs on behalf of the principal must identify his/her title or office. Also, please attach to the bond Certification of the signatory and written evidence of his/her authority to sign the bond. A sample of a certification page is available on the website at: http://deq.wyoming.gov/lqd/bonding/resources/guidance/. Written evidence must include a certified copy of the bylaw, resolution or other articles of organization which clearly recites the signatory's authority to sign the bond, or grant a power of attorney to sign the bond. Written evidence must include the first page of the document. If the signatory is relying on a power of attorney, the executed power of attorney must be attached. Please ensure the certificate is dated the same day the signatory signed the bond or later, so we have evidence the authority was valid on the day the bond was signed.
 - e. A signature of the attorney-in-fact acting on behalf of the surety company must appear on the bond.
 - f. The bond must be accompanied by a properly executed authorization of the power of attorney for the individual that signs the bond.
 - g. Each party is required to sign his/her own name. Facsimile signatures are not acceptable.
 - h. All bonds (original, additional or replacement) shall describe and pertain to all lands under the original permit and amendments. An attachment may be used for the legal description. Each page of the attachment must be signed, sealed and dated by the attorney-in-fact.

- i. Separate page acknowledgments are not acceptable unless the state in which the acknowledgement is made requires such an acknowledgment. In such instances, please provide a copy of the state law.
- j. If the operator does not have a corporate seal, a statement to that effect must be placed where the corporate seal is to be affixed.
- 2. Federally insured <u>Automatically Renewable Certificates of Deposit</u> (C.D.)
 - a. The original certificate with an original bank signature must be submitted to LQD for deposit with the State Treasurer.
 - b. The certificate must be payable solely to the **Wyoming Department of Environmental Quality, Land Quality Division**. "Payee" must be listed beside our name and "Nonpayee" beside the purchaser's name.
 - c. Interest checks, statements and IRS statements should be mailed to the purchaser.
 - d. The certificate may not be redeemed without written authorization from the LQD.
 - e. All interest, interest statements and 1099's are to the benefit of the purchaser.
 - f. The C.D. may not be in an amount greater than the \$250,000 FDIC insurance limit. If the amount on the bond required exceeds \$250,000, C.D.'s must be purchased from separate banking institutions.
 - g. Upon acceptance of the C.D., the bank is required to copy the Cheyenne office on all correspondence relating to the C.D. at the address cited above.
- 3. <u>U.S. Treasury Bonds, Bills, or Notes</u> may be sent to the Land Quality Division for deposit with the State Treasurer. Please contact the division for further information.
- 4. <u>Cash</u> may be sent to the Land Quality Division for deposit with the State Treasurer. No interest is paid on a cash bond. Use of a cashier's or certified check will expedite the permitting process.
- 5. <u>Letters of Credit</u> must be submitted on LQD format and be issued by a bank organized to do business in the United States. The bank must appoint or maintain an agent in the State of Wyoming, upon whom any process, notice or demand required or permitted by law, may be served. The guide to the required letter of credit format may be found on our website at http://deq.wyoming.gov/lqd/bonding/resources/guidance/.
- 6. An applicant may apply for <u>self-bonding</u>. Please refer to WDEQ/LQD Coal Rules and Regulation Chapter 11 or WDEQ/LQD Noncoal Rules and Regulation Chapter 6, for self-bonding requirements. Please contact the LQD for further information and the necessary forms.
- 7. A combination of the above may be submitted.

Wyoming Department of Environmental Quality (WDEQ)
Bonding Program – LQD Bond
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